

**Exhibit 34:**  
**Excerpt of May 21, 2020**  
**Hearing Transcript**

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF TEXAS  
SAN ANTONIO DIVISION

IN RE:	)	CASE NO: 20-50805-RBK
	)	CHAPTER 11
	)	
KRISJENN RANCH, LLC,	)	San Antonio, Texas
KRISJENN RANCH, LLC, SERIES U,	)	
ET AL,	)	Thursday, May 21, 2020
	)	
Debtors.	)	9:30 a.m. to 11:20 a.m.
	)	11:30 a.m. to 11:51 a.m.

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MOTIONS HEARING RE:

#4 MOTION FOR ENTRY OF AN ORDER AUTHORIZING  
THE DEBTOR-IN-POSSESSION TO INCUR FINANCING;

#6 MOTION FOR ORDER ESTABLISHING PROCEDURES FOR INTERIM  
COMPENSATION AND REIMBURSEMENT OF PROFESSIONALS;

#18 MOTION TO SEVER OR DISMISS

BEFORE THE HONORABLE RONALD B. KING,  
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES: SEE PAGE 2

Court Reporter [ECRO]: Terrance Kanyumbu

Courtroom Deputy: Deanna Castleberry

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**U.S. Trustee:** SHANE TOBIN, ESQ.  
Office of the U.S. Trustee  
903 San Jacinto Blvd., Room 230  
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1 Q So, at this point in time, a dispute arose between you and  
2 Darin Borders and Daniel Moore. What happened? How did the  
3 feud come to light involving TCRG?

4 A Okay. Your Honor, it was probably a month or two later,  
5 and the first time, to my knowledge, that this happened, they  
6 went to TCRG, and the original intent of this was that they  
7 would make 20 percent of the net profits of Black Duck, and  
8 that -- that agreement does grow with the land, that net  
9 profits with Black -- Black Duck, and we moved that to Chris  
10 Grant (phonetic), and so they -- they went to TCRG, and all of  
11 a sudden -- and I don't know where they came up with it,  
12 whether it was Daniel Moore, Darin Borders, or their attorney  
13 in Lubbock, but they all of a sudden said that each one of them  
14 owned a 20-percent royalty in this pipeline, and, so,  
15 therefore, TCRG would have to pay a 40-percent royalty on  
16 everything that went through that pipeline. And, your Honor,  
17 even the best deals with any oil company are only a 25-percent  
18 royalty, and here they're all of a sudden claiming a 40-percent  
19 royalty, and TCRG said, we're just not going to file them on  
20 that. We know they're wrong, and we're not going to file them  
21 on that. So --

22 MR. CLEVELAND: Your Honor, I have to object to the  
23 hearsay about what TCRG told Mr. Wright.

24 THE COURT: Yeah. Sustained. Sustained.

25 Next question, Mr. Smeberg.

1           **MR. SMEBERG:** Yes, your Honor.

2           **BY MR. SMEBERG:**

3           Q     Mr. Wright, I want to clarify something. You said it runs  
4 with the land. That's a legal term of art, so I want to know,  
5 what do you mean by the interest runs with the land when you  
6 (indisc.)?

7           A     The way it was --

8           **MR. CLEVELAND:** Judge, I'm going to object to the  
9 leading of that question and the statement before the question  
10 to the witness.

11          **THE COURT:** And what's -- I'm sorry; what was the  
12 question?

13          **MR. CLEVELAND:** Judge -- well, all right. Judge, the  
14 statement I --

15          **MR. SMEBERG:** (indisc.), your Honor.

16          **MR. CLEVELAND:** Judge, Mr. Wright just testified that  
17 the net profits interest attaches and runs with the land.  
18 Mr. Smeberg teed up a question by saying: Well, Mr. Wright,  
19 you said that; that's a legal statement or a legal term; what  
20 did you really mean? That's my -- my objection is to the  
21 leading --

22          **THE COURT:** Okay.

23          **MR. CLEVELAND:** -- within that statement and  
24 question.

25          **THE COURT:** Okay. Well, ask -- rephrase it or ask a

1 different question, Mr. Smeberg.

2 **MR. SMEBERG:** Yes, your Honor.

3 **BY MR. SMEBERG:**

4 Q What did you mean by "runs with the land"?

5 A That's a very ambiguous statement, "runs with the land,"  
6 and I'll just -- I'll leave it at that, because that's the  
7 whole reason we're in bankruptcy, your Honor. They've tried  
8 to -- they've tried to say that "runs with the land" means a  
9 royalty, but the intent (indisc.) never ever (indisc.) royalty.  
10 We've actually got emails all (indisc.) what it meant, and so  
11 that's my answer.

12 **MR. CLEVELAND:** Your Honor, I'm going to object to  
13 the answer, starting with "Judge, the reason we're in  
14 bankruptcy." This deal says what it says. The agreements say  
15 it attaches and runs with the land. He doesn't like it. So,  
16 I'm going to object to his, you know, commentary to you, your  
17 Honor, about why we're in bankruptcy, because we disagree with  
18 that.

19 **THE COURT:** Okay. Overruled.

20 Next question, Mr. Smeberg.

21 **MR. SMEBERG:** Yes, your Honor. We're almost there.

22 **BY MR. SMEBERG:**

23 Q Okay. So, (indisc.) issue brought up with TCRG, there was  
24 a settlement agreement which you've already talked about, so,  
25 what happened to that 16-percent retained interest that